

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EXPRESS PHONE)
SERVICE, INC. FOR DESIGNATION)
AS AN ELIGIBLE TELECOMMUNICATIONS)
CARRIER IN THE COMMONWEALTH) CASE NO. 2011-00064
OF KENTUCKY)

COMMISSION STAFF'S FIRST REQUEST FOR INFORMATION
TO EXPRESS PHONE SERVICE, INC.

Express Phone Service, Inc ("Express"), pursuant to 807 KAR 5:001, is to file with the Commission the original and five copies of the following information, with a copy to all parties of record. The information requested herein is due on or before May 27, 2011. Responses to requests for information shall be appropriately bound, tabbed, and indexed. Each response shall include the name of the witness responsible for responding to the questions related to the information provided.

Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

Express shall make timely amendment to any prior response if it obtains information which indicates that the response was incorrect when made or, though

correct when made, is now incorrect in any material respect. For any request to which Express fails or refuses to furnish all or part of the requested information, Express shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

Careful attention should be given to copied material to ensure that it is legible. If the requested information has been previously provided in this proceeding in the requested format, reference may be made to the specific location of that information in responding to this request. When applicable, the requested information shall be separately provided for total company operations and jurisdictional operations.

1. Provide Express' purpose for requesting Eligible Telecommunications Carrier ("ETC") status in Kentucky. What does the company hope to achieve? Why not just purchase resale Lifeline access lines from your underlying carrier if the purpose of ETC designation is solely to provide Lifeline and Link-Up?

2. Provide any resale or commercial agreements you currently have in Kentucky with other telecommunications carriers. Include signed evidence of the agreements and invoices detailing both Unbundled Network Elements ("UNE") and resale charges.

3. Describe the process in which Express orders a Section 251 loop and commingles it with Section 271 elements to provide service. Provide copies of orders or contracts that show the process.

4. How many Kentucky residential and business customers does Express presently serve? Provide both the number of residential and business customers and whether they are provided service through UNEs pursuant to Section 251 commingled

with Section 271 elements, resale, or wholesale local platform pursuant to a commercial agreement.

5. Kentucky currently requires that all ETCs perform an audit of all customers receiving Lifeline benefits. Each customer must provide proof of eligibility. Does Express agree to audit all Lifeline customers each year rather than conduct a yearly audit of only a sample of customers?

6. Explain the process which Express will employ to audit each Lifeline customer on an annual basis.

7. Explain the process by which Express will verify the initial eligibility of Lifeline customers. Provide details about how and where Lifeline subscribers will be able to initiate service.

8. Does Express understand that Kentucky does not allow consumers to qualify for Lifeline under the income guidelines?

9. Does Express presently serve any Lifeline customers through resale in Kentucky?

10. Does Express understand that any resold Lifeline or Link-Up service purchased through another carrier cannot be claimed by Express for reimbursement from Universal Service Administrative Company ("USAC")?

11. Provide a list of all states in which Express operates.

12. Provide the docket numbers of Express' petitions for ETC in any other state.

13. Has Express filed a petition to provide service in any state and subsequently withdrawn the petition or been denied? If so, list the state, docket number, and Express' reason for seeking withdrawal of the petition for that state.

14. If Express receives ETC designation in Kentucky, approximately how long will it take for Express to offer Lifeline service in the area in which it receives the ETC designation? Elaborate on any extenuating or special circumstances.

15. Do Express' customers have access to competitive directory assistance providers, as defined by 47 C.F.R. 54.101(a)(8)? If not, explain why.

16. As a condition of receiving local service, are Express' residential customers required to subscribe to Express' long-distance services?

17. Provide an example of a typical Express' residential and business customer bill. What is the average residential bill in Kentucky?

18. What recurring and nonrecurring costs will a new Lifeline customer incur from becoming an Express customer over the period of a year?

19. Provide a proposed tariff that details the Company's proposed Lifeline offering.

20. Will Express provide the \$13.50 Lifeline discount to any bundle a customer chooses?

21. Does Express provide service to its customers via a prepaid service? If so, what percentage of its customers receive their service via a prepaid service?

22. Describe Express' local usage plans pursuant to 47 C.F.R. 54.101(a)(2). If phone service is offered in a bundled package, describe and enumerate the wireline

local component (charge for local phone service) for which universal service compensation would be based.

23. Describe the process which Express will employ if a customer does not pay his or her monthly fee.

a. Is there a grace period for making payment?

b. Would the customer have to re-enroll in Lifeline if they do not make payment for a month?

c. Are customers who reconnect service with the company required to pay the past due bill and a reconnection fee prior to receiving service?

d. Are Lifeline customers allowed to pay past due amounts over time? If so, describe the terms of such payments.

e. Are Lifeline customers charged a reconnection fee?

24. Does Express use agents or other retailers to market and sell its service? If so, provide a list.

25. Will Express be using any subcontractors (operations, call centers, etc.) to provide the required services? If so, provide the name of each company and the physical address.

26. Will Express be willing to advertise Lifeline and Link-Up availability in languages other than English? If so, name the other languages.

27. Has Express been audited by other state utility commissions regarding its use of universal service funds? If so, list the state and the result of the audit.

28. Does Express have any outstanding complaints at any state commissions or at the Federal Communications Commission ("FCC")? Provide detailed

documentation of any complaint filed with a state commission or at the FCC in the past three years.

29. Will Express seek toll limitation service reimbursement from USAC if granted ETC status? If so, provide a detailed list of the incremental costs it will be claiming and a detailed description to support the amounts to be claimed.

30. Will Express seek Link-Up reimbursement from USAC if granted ETC status? If so, list the amount per customer Express would be claiming.

31. What is the amount per customer Express will seek for Lifeline reimbursement from USAC if granted ETC status?

32. What is the amount per customer Express will seek for Lifeline reimbursement from the Kentucky Universal Service Fund if granted ETC status?

33. Does Express maintain separate books/general ledgers for each state in which it operates? Where are the books/general ledgers for Kentucky customers maintained? Provide the physical address, office telephone number, name, and title of employees responsible for maintaining those books/general ledgers.

34. Provide the address (URL) to the Express website, if there is one.

35. Provide the name of the person (with business title) and/or entity that will be filing the Form 497 with USAC if Express obtains ETC status.

36. Provide a description of Express' corporate structure, with both names and titles. Also, provide a list of Express' owners or corporate officers and indicate if any are also owners, corporate officers, or employees of any other telecommunications companies and provide a vitae for each listed.

37. Have any owners, officers, or managers of Express been involved in any bankruptcy proceedings? If so, provide details as to the name of the person, the date on which the petition was filed, the case number, and the name of the federal court district where the petition was filed.

38. Have any owners, officers, or managers of Express been charged or convicted of a felony criminal offense during the last 10 years (either state or federal)? If so, provide details as to the name of the person, the dates of each charge, the case number, and the name of the state or federal court district where the charges or convictions occurred.

39. In a filing with the Florida Public Service Commission, Express stated that "AT&T has recently demanded payment from Express Phone of a claimed "past due balance" of \$382,780 for services provided in Alabama, \$1,268,490 for services provided in Florida, and \$417,398 for services provided in Mississippi."¹

- a. Has Express made any of these payments to AT&T?
- b. Has Express been denied service from AT&T?
- c. Provide a summary of the events related to these demands for payment in Alabama, Florida and Mississippi. Include any related docket numbers and Commission orders.

¹ Florida Docket No. 110071-TP Emergency Complaint of Express Phone Service, Inc. against Bellsouth Telecommunications, Inc. d/b/a AT&T Florida regarding interpretation of the parties' interconnection agreement.



Jeff Derouen
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DATED: APR 27 2011

cc: Parties of Record

Case No. 2011-00064

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